AMENDMENT OF THE WAREHOUSING ACT, 1962

3332. SHRI SURESH PACHOURI : Will the Minister of FOOD be pleased to state :

(a) whether Government are considering to amend the Warehousing Act, 1962 to enable the Central Warehousing Corporation to divert to more profitable areas such as off-shore warehousing;

(b) if so, what are the details of the proposed amendments;

(c) by when the final decision in this regard is likely to be taken; and

(d) to what extent this will be helpful to the farmers ?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD (SHRI KALP NATH RAI) : (a), to (d) It is proposed to amend certain provisions of the Wareshousing Corporations Act, 1962 to facilitate the smooth functioning of the Central Warehousing Corporation and of the State Warehousing Corporations. One of the proposed amendments will facilitate the setting up of warehouses abroad by the Central Warehousing Corporation, to help in our exports. Through another amendment it is proposed to re-organise the strength of the Board of Directors of the Central Warehousing Corporation with a view, inter-alia, to provide greater representation to professional bodies and other interested sections like farmers etc. A few other minor amendments are also contemplated.

(e) The proposed amendments will be effected after necessary administrative formalities for amending the said Act have been completed.

PROVISION IN THE CENTRAL BUDGET ON FOOD SUBSIDY

3333. SHRIMATI KAMLA SINHA : Will the Minister of FOOD be pleased to state :

(a) whether it is a fact that the food subsidy accounts for over Rs. 3,000 crores of expenditure in the Central Budget;

(b) whether the FCI overhead and storage costs have risen at annual rates exceeding 20 per cent and together account for half of the food subsidy;

(c) whether the share of the consumer in the total food subsidy consequently is fairly low; and

(d) if so, what steps Government propose to take to streamline FCI operations?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD (SHRI KALP NATH RAI) : (a) Yes, Madam.

(b) and (c) No, Madam.

(d) Food Corporation of India has has been taking steps to reduce its operational cost streamline its operations. Some of these important steps are listed below :

(i) Adopting a systematic policy of liquidating CAP storage, issuing old stocks, disposing of C&D category of stocks and introducing strict supervision on movement of foodgrains to control the incidence of transit and storage shortage;

(ii) The Corporation has taken steps to promptly dehire the storage capacity rendered surplus on account of lower level of stocks;

(iii) Recruitment to entry-level posts has been banned and the vacancies arising out of resignation, retirement etc. are not being filled up;

(iv) Procurement and movement ratio to be reduced;

(v) Maximum utilisation of storage capacity;

(vi) Reducing demurrage charges.